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www.gsusuaa.com
www.suaa.org

Your Connection

GSU-SUAA President's Report

This has been a quite a year for SURS members, and next year promises even more threats to our benefits. Let me begin with our great success. SUAA was in the forefront of the work to defeat the constitutional amendment known as CA49. CA49 promised to be a back door effort to weaken the pension protection clause of the Illinois constitution. Thanks to all of you, the GSU SUAA members and friends, who helped in the effort to defeat that amendment.

I wish that I could report

that we have worked with the legislature to produce a plan protecting our future pension benefits. Addison Woodward, GSU's foremost SUAA volunteer and pension expert, has an article in this newsletter discussing current legislative proposals. I will leave the legislative issues to Addison and focus on just a few other things.

Our annual luncheon, generously hosted by President Maimon, was held in June. As always it was fun to see so many SUAA members at this event. This year,

however, the meeting seemed a bit more serious in tone than annual meetings in the past. President Maimon discussed the IGPA (Institute of Government & Public Affairs) plan that the university presidents have endorsed. This plan focuses only on the SURS pension program. SUAA opposes this plan. Among other things, the plan proposes a substantial decrease in the COLA. IGPA proposes a COLA that is half the CPI.

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Changes to Medical Benefits for Medicare Eligible Employees

CMS is going to move everyone on Medicare to Medicare Advantage plans. CMS will announce the available plans sometime this fall. Retirees may want to visit the Medicare web

site to investigate options for Medicare **supplemental** plans and Medicare Advantage plans. Retirees may choose to buy their own Medicare supplemental plan

rather than stay with one of the state's plan. GSU SUAA will sponsor an event devoted to health care choices in the fall after CMS makes the state plans known.

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Did You Know:

Freshmen are coming to GSU in 2014?

Dorms are currently being built on campus?

President's Report (continued)

Current employees would be required to contribute two percent more to SURS to get this seriously reduced benefit. A two percent increase in SURS contributions translates into a two percent reduction in pay. Our current COLA of three percent roughly reflects the average of the CPI over the past 30 years. A COLA of half the CPI guarantees that over time the buying power of a pension will be seriously reduced.

Our guest speaker at the annual luncheon was Peter Starzynski representing "A Better Illinois." A Better Illinois is a group that among other things is advocating a constitutional amendment on the 2014 ballot to allow legislation to be introduced instituting a

graduated income tax. Currently, Illinois has a flat tax of five percent for all taxpayers. The amendment already has sponsors in Springfield. A Better Illinois wants to collect 500,000 signatures by January 1 to show that there is popular support for the amendment. The statewide SUAA board has voiced support for the institution of a graduated income tax for Illinois. I will inform you when information becomes available on the petition drive.

Finally, I want to I take this opportunity to thank our GSU SUAA board for all their hard work on behalf of all GSU SURS members. Our board consisted of Karl Harrison, Vice President; Bonnie Lunde,

Secretary; William Wilkinson, Treasurer; Addison Woodward and Lynne Hostetter, Directors.

If you are interested in becoming more active in GSU SUAA, please let me know. Or if you know of someone that might be willing to participate more actively, send his or her name along. And if you have any requests or suggestions for us, we would like to hear them. I can be reached at:

jwells@govst.edu.

Thank you for your continued membership and support.

Jane Wells, President
GSU SUAA

Useful Website Addresses and Phone Numbers

www.gsu-suaa.com

The site for GSU SUAA

www.suaa.org

The site for SUAA

www.surs.org

The site for SURS (1-800-ASK-SURS)

www.govst.edu

The GSU site. Human Relations is available at the site.

www.Illinois.gov

The official site for Illinois Government

www.ssa.gov

The official site for Social Security 1-800-772-1213

www.citizensutilityboard.org

The site for the Citizens Utility Board

www.ctbaonline.org

The site for the Center for Tax and Budget Accountability, a

group that has been supportive of changing the taxation system in Illinois to a graduated income tax

<http://www.state.il.us/aging/Ship>
The site for Senior Health Insurance Program (SHIP) 1-800548-9034 (TDD 217-534-4873)

<http://www.medicare.gov> The governments Medicare site.

<http://www.abetterillinois.org>
The site for A Better Illinois

State of Our Retirement Security by Addison Woodward

What can be said about the state of our retirement security this year? Right now our retirement security is in jeopardy. By the time you read this there may be a new pension bill, and it likely will include a major change to the COLA.

When thinking about pensions, pension legislation, and the political climate in Illinois, it occurs to me that the opinions being offered by many legislators, the news media, and even university presidents are very similar to the opinions and editorials being offered about the debt “crisis” in the U.S. today.

Those of you who follow such things are aware that the “deficit hawks,” as Paul Krugman of the *New York Times* would say,

believe that the uncontrollable spending must be curtailed and that the government must operate on the “household model,” which is to not spend more than what comes in. On the other hand there is another approach, a Keynesian-Krugman approach. That model would urge government spending, especially in times of high unemployment and economic uncertainty. The prolonged economic woes of England, where austerity seems to rule compared to the economic recovery in the United States, albeit slow, would seem to support a Keynesian approach. To continue this line of reasoning: In Illinois it seems that all one hears about is the pension debt problem. We have

... have generated an unrelenting barrage of pension-bashing and attacking the “on the dole” public employees.

all been told of the tremendous unfunded liability of the state’s pension systems and that Illinois cannot afford to ignore this “problem.” The Civic Committee, the *Chicago Tribune*, and even the Koch brothers through the PAC called “Illinois is Broke,” have generated an unrelenting barrage of pension-bashing and attacking the “on the dole” public employees. Lawmakers, fearing the *Tribune* and an angry misunderstanding public, are falling all over themselves in an effort to solve the “problem.”

But wait! There is another side to this. Rather than a debt/

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Former UPI Members

The UPI Retirees are interested in organizing events for former members. If you are interested in

participating, please contact Judy Lewis at:

judithalewis@gmail.com for information on upcoming events.

Proposed Legislation on Windfall Elimination Provision of the Social Security Act

Retirees receiving social security due to employment outside of the SURS systems receive a substantial reduction in their social security benefits because they have a SURS pension. This has been very problematic for many SURS pensioners. Legislation

has been introduced in Congress to address this reduction in social security payments for individuals receiving government pensions. The National Education Association addresses this issue on its website. To read more about this legislation,

please visit <http://www.nea.org/home/16494.htm> and for help contacting your representative, please visit:

<http://capwiz.com/nea/issues/bills/?bill=12402161>.

State of Our Retirement Security (continued)

funding issue, which is the cry from those mentioned above, it is really a revenue issue. It has been a revenue issue for over four decades. Illinois lawmakers and governors have funded education, human services and health and safety, all vital services, without being honest with its citizens about their true costs. They have skipped the planned annual pension funding contributions for years in order to deliver the things that Illinoisans expect. Over the past few decades, state workers have been supporting these needed services through what should have been pension dollars. Had those dollars been contributed on schedule and earned the same returns as our contributions earned, we would not have this current crisis.

The tension between those focused on pension debt and what it portends for Illinois and those who see the pension crisis as part of a larger revenue issue has played out in all the attempts to find a workable solution to Illinois' pensions. Senate Bill 2404 (SB2404) was probably the best compromise solution between these competing forces. It was negotiated with Senate President Cullerton and a labor coalition representing state workers called "We Are One." It required some choices to be made both by retirees and current workers. These choices involved the COLA and access to retiree health care.

Retirees could choose to keep the current COLA but lose *access* to state health insurance or they could maintain that *access* and accept a loss of the COLA in two non-consecutive years. For current employees the choices were more complex.

These workers could accept a simple COLA (one that does not compound) and maintain access to retiree health insurance, or they could keep the COLA and lose retirement health insurance access along with having the pensionable salary frozen at their current salary levels. A third choice would be to maintain the current COLA, maintain access to health insurance, but accept a three-year delay in the COLA and contribute 2% more toward their pensions.

Lawmakers and other "pension hawks" whose primary focus was on pension debt claimed this proposal simply did not save enough money. Their preferred bill was SB1 introduced by Speaker Madigan. SB1 proposed a new formula for the COLA. For retirees the COLA would be three percent, multiplied by the number of years of service, multiplied by \$1000. Based on this formula the maximum COLA would be \$900.

A third plan (SB2591) has surfaced and that is the IGPA proposal endorsed by the university presidents. The most onerous recommendation of that plan involves the COLA. There the

COLA would be one-half of the CPI. Employees would also be required to increase their contribution two percent and there would be a cost shift of normal pension costs from the state to the institution.

SB2404 was called in the Senate and passed overwhelmingly with bi-partisan support. SB1 was also called and was soundly defeated. In the House, Speaker Madigan refused to call SB2404, but if he had, best estimates are that it would have passed easily. This stalemate resulted in no action being taken on pensions during the spring session. A frustrated Governor Quinn called for a special legislative committee charged with developing a solution to the "pension crisis." That committee has met publically three times and may well have a plan by early fall.

The Governor selected the members of this committee, and of the nine members only two (Senators Kwame Raoul and Linda Holmes) can be labeled sympathetic to the concerns of retirees and current employees. Fortunately, Senator Raoul is the chair of the committee.

(An analysis of all three plans with estimated cost savings is detailed in the latest SURS newsletter available on the SURS website.)

So stay tuned!

Making the Most of Retirement Options by Bonnie Lunde & Bill Wilkinson

If asked for one word describing retirement, “options” is the word that comes to mind. Retiring means you get to choose where you live, who you see, and what you do with your time. This can be either awe-inspiring or unnerving, depending upon your outlook. Retirement is not “one size fits all” Rather, retirement is an enormously individualized experience, as the authors of this article have discovered through their own first year of retirement.

How easily one adjusts to retirement can depend on any number of factors, but here’s our list:

Finances: A pension is a wonderful thing!! We are so very fortunate to receive a pension. So here’s a plug for SUAA – keep your membership up; encourage colleagues to join; actively support efforts to safeguard pension benefits. Financial well-being in retirement can mean the difference between “living the good life” or “just surviving.”

Gender: The roles of men and women (of our generation) may affect the adjustment to retirement, in both time and ease. Women!!! You are now reaping the rewards of all the years spent balancing work with raising a family and caring for your home. Through the activities involved with raising children, women may have developed more ties to outside activities. But for many men (of our generation), work was their main focus. This may

mean a more difficult adjustment period for men. Establishing new interests and new friendships may take more effort.

Family: Family situations are very diverse. You may have a close-knit family, a geographically distant family, or no family at all. Those with family nearby will have a built-in social network; those with family far away will be provided great travel opportunities; those with no family will have the opportunity to spend time with friends, both old and new.

Social life: Time previously spent working can now be spent enjoying social activities. This may take effort if work was also your main social outlet. Make a point of spending time with friends; research has shown how important fulfilling friendships can be for good overall health. Cherish your long-time friends, but also make new ones. Thanks to social media, that’s much easier these days. Find something of interest to you and join, join, join, but make it fun! This may be a trial and error period. Try different activities; different groups. Social media is your friend!!! There’s a wealth of information about various causes, organizations, and activities on the internet.

Lifestyle: Retiring doesn’t mean your lifestyle is going to automatically change; we are creatures of habit and may enjoy a daily routine. Breaking from routine on occasion can,

however, be a very healthy thing! Be spontaneous!! Hop on the train and walk the beach along Lake Shore Drive or stay local and drive to the Monee Reservoir.

Where you live: “Do I stay, or do I go now?” (The Clash, ’82) Once retired, it’s a grand realization that you now have the option to live wherever you choose. Of course, many factors will determine your decision to stay or go, but the option is there. Many retirees move closer to their children and grandchildren, or perhaps you’ve always dreamed of living by the ocean, or high atop a mountain, or in a warm climate, or you want to try out “city life.”

Even though our list of factors is far from exhaustive, it’s dawned on both of us that the “success” of a retirement depends in no small measure, first, upon recognizing the diverse range of options that do become rather suddenly available and, secondly, upon putting the necessary time and effort into exploring and taking advantage of those that truly seem to bring happiness and fulfillment. Except perhaps for the “Finances” (Remember to support AND PROMOTE SUAA!), most of these choices will be subjectively idiosyncratic, but we think a key principle to keep in mind is that “failure to choose is a choice.” We worked hard and long for the best retirement possible, so let us leave no option unexplored!

SUAAction Wants Your Support

SUAA is a 501(c)(4) organization as defined by the IRS. While SUAA is allowed unlimited lobbying, it cannot raise or contribute funds for political activities. SUAAction is the political action arm of SUAA. Contributions made to SUAAction are used to support Illinois candidates running for statewide or federal office.

This past year, SUAAction contributed money to support legislators' election campaigns; provided money for SUAA members to participate in multiple fundraisers; and

provided \$10,000 in seed money for the successful campaign to defeat CA49. SUAAction helped fund campaigns for General Assembly members of both parties in fulfillment of its pledge to operate on a nonpartisan basis.

This year, SUAAction's goal is to raise \$150,000, about \$10 per SUAA member. More is welcome. SUAAction suggests a donation be 50 cents or more for each \$1,000 of salary or pension, but they welcome any amount.

If you decide to donate, make your check payable to SUAAction and send it to SUAAction, P.O. Box 1770, Springfield, Illinois 62705-1770. Indicate on the check that you are a GSU SUAA member. For contributions of \$150 or more, state law requires SUAAction to report the name and mailing address of the contributor. For contributions over \$500 per year, the contributor's occupation and employer must be reported. Contributions are not tax deductible. PayPal donations will soon be available at the SUAA web site.

Pension Vocabulary by Addison Woodward

Civic Committee: This is a committee of the Commercial Club of Chicago. It is comprised of 90 CEOs and the who's who of Chicago businesses. Most of these leaders earn millions of dollars each year, and many of them are leaders in the fight against public employee pensions.

Tyrone Fahner: Mr. Fahner is the president of the Civic Committee. He is an unabashed critic of public pensions, and there is a verbal record of him attempting to influence a bond-rating agency. In it he is encouraging the agency to lower the bond rating of Illinois. Doing so would further heighten the "pension crisis" and thus stimulate a sense of urgency to make major pension

changes.

ALEC: American Legislative Exchange Council. ALEC is a conservative political group supported by many big businesses including Koch Industries. Its focus is on reducing corporate regulation and corporate taxes, tightening voter identification rules and a host of other conservative agendas. ALEC works with state lawmakers drafting legislative templates used to introduce state laws reflecting the ALEC agenda.

SUAAction: SUAAction is the political action arm of SUAA. Contributions made to SUAAction are used to support Illinois candidates running for statewide office, and/or senate

and house seats. SUAAction provides a way for SUAA members who contribute to SUAAction to attend fund raisers for candidates.

Center for Tax and Budget Accountability (CTBA): The CTBA is a non-partisan organization that is most concerned with fair tax policy in Illinois. The CTBA is data driven; it develops reports each year analyzing the Illinois budget, pension funding and costs, and so on. Their website is CTBAonline.org.

We Are One (WAO): We Are One is a coalition of labor unions representing many

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Leo Remembered by David Curtis

Those of us who were there could hardly forget when Leo arrived. There was the new president, and as Mel Muchnik says, he looked like he came straight from Central Casting – he just looked like a president. He acted like one too. Leo and Margaret together seemed to be omnipresent all around the southern suburbs, and especially on campus. There was hardly an event that Leo didn't attend, and I can still hear his resonant "Bravo" after an especially well performed musical piece.

While "presidential" in every way, Leo was exceptionally approachable, and in fact you didn't have to approach him -- he took the first step. He remembered our families, often by name, and always inquired about them. Many of us might wonder how his greeting of "darling" would go over today, but Leo had the ability to bring it off without ruffling feathers. Maybe you remember Leo "borrowing" cigarettes after he had "stopped" smoking; his magical ability to sense Margie's approach so he could pass the cigarette to someone else; that deep "announcer" voice; Leo cooking hamburgers and hot dogs for the staff; going up and down the halls and just dropping in on people; the "State of the University"

talks each fall; his perpetual smile and friendly greetings – those are the things that spoke to the nature and character of the man.

Leo was selected to be President, and presidents are expected to do things. After being on campus for several months, he grew to appreciate the many wonderfully positive things about the university, but also discovered several areas for improvement. He knew that GSU was to be an



Dr. Leo Goodman-Malamuth II

"experimenting" university, and the founders anticipated that some of the innovations would be successful and others not. He appointed the usual faculty/staff/student/community committees, and under the general guidance of Virge Piucci accomplished what came to be known as Curriculum

There was hardly an event that Leo didn't attend, and I can still hear his resonant "Bravo" after an especially well performed musical piece.

Realignment. Leo's intent with the Realignment was to improve GSU for everyone, but primarily for the students. The process resulted in a traditional transcript, college names that were better understood in higher education, certain organizational changes, adoption of tenure in place of "cyclical tenure," a rewriting of many course descriptions, and other changes that my memory will not recall. Leo, with the help of many donors, including several of you, initiated the work for the Performing Arts Center, guaranteed access to health care in retirement, supported the adoption of new teaching technologies, worked to strengthen the ties with community colleges, began new academic majors and programs, cultivated community partnerships, introduced the Small Business Center (Centerpoint), and emphasized the importance of the appearance of the physical plant – both interior and exterior.

There will never be another Leo, and it is gratifying that Elaine Maimon recognized his contributions by renaming the building originally known as the Cooperative Computing Center as the Goodman-Malamuth Center for Technology. It is an apt recognition.

Those are some of the things that come to mind when I remember Leo.

We Will Miss . . .

Vanleela Davé. Vanleela Davé was a retired university lecturer and wife of professor emeritus, Dr. Jagdish Davé. She was an admired member of the GSU Psychology and Counseling faculty in the College of Education and taught at GSU from 1983 to 2003.

Leo Goodman-Malamuth II. Leo Goodman-Malamuth was the second president of GSU serving from 1977 to 1992. During his 15 years as GSU president, Dr. Goodman-Malamuth was instrumental in

revising its curriculum, redesigning its colleges, and developing a new student grading system. Dr. Goodman-Malamuth reorganized the university's administration, establishing the first office of Provost and Vice President for Academic Affairs. In short, he was responsible for much of what we see at GSU today. (See article on page 7 "Remembering Leo.")

William Gregory. Bill Gregory was a long-time electrician at GSU beginning his career in 1975 and retiring in 2003. He

was well-known throughout the university and always had a smile for you. Bill was also involved in the construction of GSU's original campus buildings.

Pamela Zener. Pam Zener worked at the university for 30 years retiring from the Office of Student Affairs. She spent most of her tenure at GSU doing the University's number one priority — helping students and is well remembered for it.



Pension Vocabulary (continued)

Illinois workers. It includes AFSCME, SEIU, NEA, and IFT and others. WAO negotiated a fair compromise on pensions on behalf of workers and retirees.

iamexistential:
iamexistential@wowway.com is one of the best Illinois education-pension blogs around. Glen Brown, a retired English teacher and part-time professor of English at the College of Dupage, is the originator and major contributor to this blog. Almost daily there is something of note posted on it. It is must reading.

The Chicago Tribune: The conservative bent of this newspaper is evidenced by its slanted coverage of public education, pensions and other public policy issues.

Financial Transaction Tax (FTT): The FTT is a tax idea proposed by Dr. Ron Baiman and has been introduced as a bill by Representative Mary Flowers. It is a small tax on the nominal value of every contract of the Chicago Board of trade, The Chicago Mercantile Exchange, and the Chicago Board Options Exchange. The

tax is small but would yield big money, projected at \$5-7 billion a year.

A Better Illinois: A Better Illinois is a coalition of individuals and more than 60 organizations devoted to improving Illinois. Its focus is implementation of a better tax system to provide for accountability, fairness and support for the middle class. Among other things it is advocating a constitutional amendment on the 2014 ballot to allow legislation to be introduced instituting a graduated income tax.